GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:56
ANSWERED ON:17.07.2017
Prime Ministerâ€™s Employment Generation Programme
Teacher Smt. P.K.Sreemathi

Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether loans under the Prime Minister's Employment Generation Programme (PMEGP) are being disbursed to the youths in various States including Kerala;

(b) if so, the details thereof during the last three years, State/UT-wise;

(c) the quantum of loans given to youths in Kerala under the said scheme and the targets fixed/achieved during the said period; and

(d) the steps taken by the Government to achieve the said targets?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a) & (b): Yes Madam. Prime Minister's Employment Generation Programme (PMEGP) is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector. Any individual above 18 years of age is eligible. The maximum cost of projects is Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector. General category beneficiaries can avail of margin money subsidy of 25 % of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as SC/ST/OBC/minorities/women, ex-serviceman, physically handicapped, NER, Hill and Border areas etc. the margin money subsidy is 35% in rural areas and 25% in urban areas. Khadi and Village Industries Commission (KVIC) is the nodal implementing agency at the national level. KVIC, Khadi & Village Industry Boards(KVIB) and District Industry Centres (DIC) are the implementing agencies in the States. Financial assistance/loans is provided through Banks, Government pays margin money subsidy to the beneficiaries through KVIC at the above mentioned rates for different categories. The average margin money subsidy is 25% of the project cost, thus the banks provides loan four-times the margin money subsidy disbursed by the Government.

The State/UT-wise details of margin money disbursed under PMEGP during the last three years and current year including Kerala is given at Annexure-I.

(c): The targets are fixed by the Government in terms of number of projects to be assisted and margin money disbursed. Details of the target fixed/achieved during last three years in Kerala State are as follows:
(Rs. in lakh)
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Year Target Achievement

Projects Margin Money Empl. Projects Margin Money
disbursed Empl. generated
2014-15 1826 2306.51 14608 1344 2679.28 9738
2015-16 1366 2731.60 10928 1369 2720.48 9653
2016-17 1973 3946.06 15784 1584 3350.68 13068
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(d): Following initiatives have been taken to achieve the targets under PMEGP Scheme:

â€¢ In order to streamline the process of application flow and fund flow and to bring in transparency and better financial management and to prevent parking of funds at Nodal bank level an online PMEGP-MIS web portal has been introduced. All applications and fund flow is processed online in stipulated time frame.

â€¢ Publicity is being made through print and electronic media, awareness camps at District level and State level are being organized in order to propagate the PMEGP scheme for the development of micro industries.

â€¢ Exhibitions are also conducted at district/state/zone and national level for providing marketing support to the entrepreneurs/units.

â€¢ For speedy completion of EDP training, these are being conducted through Departmental Training Centres as well as RSETIs/RUDSETIs as per MOU executed between KVIC & MCR.

â€¢ Industries such as Khadi, processing of Pashmina Wool, handloom and power loom units, value added products for tea, coffee, rubber etc. and transport activities are now eligible for assistance under PMEGP.

â€¢ Implementing Agencies are instructed to encourage and provide necessary assistance to the beneficiaries for filing online application by setting up of help desks.